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Tenant involvement

Tenant member involvement is crucial to the success of a co-operative. If tenants are to exercise real control over their housing, they must:

- . take part as a whole in the decision-making process to avoid the traditional situation where a few make decisions on behalf of the many;
- . learn the necessary skills so they are self-sufficient and not dependent on the expertise of others;
- . develop the teamwork required both to share as much as possible the management tasks described and to avoid conflict.

In other words, they have to learn to co-operate.

The importance of a high level of understanding and input from potential tenant members in the development of a submission for an RHC was emphasised in Information Sheet No. 3. When using this Information Sheet to develop practical policies and procedures in relation to an RHC's management structure, the group needs to ask in each area:

1. How do we maximise the opportunities for people to participate?
2. What is the best method of circulating information so every member understands what is going on?
3. How can we pass on the relevant skills?
4. How do we develop teamwork?

The rest of this section is devoted to some ideas on these four points. The list is not intended to be exhaustive. Use your own ingenuity.

Maximising opportunities

The development of policies and procedures at general meetings is necessary so clear guidelines are available to members in key areas such as tenant selection and maintenance delivery.

A policy is a goal or standard which a group feels should be followed.

A procedure is an agreed method for achieving the goal set down by policy.

Procedures deal with detail and their drafting could be referred by the general meeting or Board of Directors to the appropriate committees to make recommendations. This saves general meetings from becoming overly long and confusing - a guaranteed way of killing off participation.

Where information about policies and procedures is widely circulated both before and after their formulation, their use enables maximum involvement of co-op members in making a decision and allows individual cases to be treated on their merits.

For instance, a tenant should be:

- . made aware of any policies (e.g. a right to have a clothesline).
- . able to identify the procedure to be followed to implement that policy (e.g. put in a written report to the Maintenance Committee for the clothesline).
- . given the opportunity to present a case (e.g. discuss the need for a clothesline with the maintenance committee).
- . able to appeal to the group through the general meeting for a final decision (e.g. where the maintenance committee is slow or the tenant wants a different type of clothesline, the tenant should have the right to arbitration by the RHC as a whole).

Where a tenant member is in breach of policy, the same process has to be followed. The appropriate procedure is identified; an opportunity is given for explanation; a final decision is made not by set rule, but by a group decision of tenant members at a general meeting.

Meetings should be informal, simple and friendly. One co-op suggested that shy people should have someone they can talk to after a meeting about a report or a decision.

Meetings should be held at a regular place at a regular time to ensure continuity and certainty.

Child care should, if possible, be provided.

Surveys and techniques such as brainstorming help reach more people. Brainstorming involves everyone at a meeting having a say in turn without any person present being allowed to interrupt or comment directly on what another has said.

A report explaining meeting procedures is available from the Victorian Council of Social Services (phone 419 3555).

Circulation of information

Minutes of general meetings have to be circulated to all members. Are your minutes, however, written in such a way that they would make sense to someone who was not present?

Reports on major issues should not be sprung on unsuspecting co-op members unawares. Should major issues be discussed in workshops before any decision is made? How long should people have to consider reports?

Should reports accompany all policy-making? How do you ensure that reports are balanced in their presentation?

What are you going to do about co-op members who can't read and/or speak English?

Discussion in committees or at informal gatherings is another obvious source for the passing on of information.

What about a newsletter or the housing worker and tenants-in-the-know visiting those-who-don't-know (e.g. applicants, new members, apathetic tenants)?

The best method is to insist members regularly attend general and committee meetings.

Passing on of skills

Again, first hand experience is the best teacher.

Co-op members can be taught meeting procedures from a video, but in the end a stronger impression would be formed where a tenant actually experienced such processes as minute taking, chairing, writing an agenda, arguing.

Videos are available from the State Film Centre and CHAS.

This is also true in learning maintenance or accounting skills. As many co-op members as possible should be encouraged to do their own repairs and write up the accounting records.

Not too much should be expected at first. Where a person, for instance, doesn't know what the word agenda means, or how to change a fuse, those passing on the skills must be prepared to move slowly and patiently.

Co-op members should not avoid experts. They should, however, be tapped as a training resource, rather than leaned on for advice - except in the highly specialist areas such as architecture and auditing. Even in these areas, co-op members need to "demystify" the jargon involved so they are not totally dependent.

Developing teamwork

To work together, co-op members have to learn to feel comfortable with each other.

An essential bonding function between co-op members is performed through the holding of social events.

Social interaction can be the initial catalyst in a co-op for building teamwork and a co-operative spirit. It should be remembered that when tenants first join an RHC, the only thing they have in common is their need for a house.

Togetherness can be encouraged at meetings through having tea and coffee breaks, or asking people to bring a plate of food.

Another simple device for getting people to know each other is through the use of introductions at the beginning of meetings.

Conflict needs to be minimised. Consensus decision making may seem more time-consuming than rule by simple majority, but in the long run it should prevent the co-op splintering into warring factions.

Group efforts, such as a maintenance working bee, are a means of developing teamwork through experience.

House selection and renovation

To build up their package of 50-70 houses, submitting groups should investigate all possible methods: -

- . transfer of existing Ministry housing.
The group should discuss this with their District or Regional Office; (for contacts see section in this Information Sheet)
- . construction of housing (see p. 8, Information Sheet No. 2 for contacts)
- . leasing of housing at a peppercorn rental from groups interested in housing justice; e.g. local councils, churches, trade unions.
- . purchase of existing scattered housing on the open market through the Spot Purchase Programme.

This last method of acquiring houses is the one most relevant to rental co-ops set up in built - up areas, although construction on vacant blocks (infill housing) and leasing could also be investigated.

In country areas, construction of detached dwellings through the house and land package programme could prove most relevant. The contact is Peter McMahon, 669 1363.

Spot Purchase

Each Rental Housing Co-operative is assigned a Property Officer and a Works Officer who are responsible for the negotiations to purchase a property and manage the upgrading work undertaken by the Ministry prior to the property being handed over to the Rental Housing Co-operative for management.

It is imperative that the RHC develop a close working relationship with the Property Officer and Works Officer assigned to them. A clear line of contact between the member of the co-op and the Spot Purchase Team must be formulated as Spot Purchase is competing in the open market against people that can make instant decisions on whether a property should be purchased or not. Additional delays in the negotiation process between vendors and the Property Officer will result in properties being sold before the Ministry can make an offer.

It is also important that the co-op understands and accepts the rules and regulations under which Spot Purchase operates.

Finding suitable properties

The Property Officer and Works Officer operate usually in a confined region purchasing properties for other Ministry programmes and therefore have a sound knowledge of the market.

Properties can be located by these teams and the Rental Housing Co-operative advised or the Rental Housing Co-operative may locate the properties and advise the Property Officer who will carry out negotiations on its purchase.

Area limits

Area limits range from \$45,000 to \$65,000 depending on location and are the maximum amounts of money that can be spent on purchasing a property. This maximum amount is the sum of the purchase price, cost of upgrading and legal expenses.

Valuations are obtained for all properties under negotiation from the Valuer General and no properties can be purchased above valuation even though their area limit may not be exceeded.

Purchasing process

Once a property has been located and considered suitable by the Rental Housing Co-operative, an offer is made by the Property Officer and if accepted by the vendor, formal documentation is prepared by the Ministry's solicitors.

Settlement can take as little as 30 days or as long as 120 days depending on the conditions of the Contract of Sale prepared by the vendor's solicitor.

There is nothing that the Ministry or the Rental Housing Co-operative can do to speed up this process and access cannot be gained to the property until settlement.

Once the property is settled, the Rental Housing Co-operative will be advised by either the Property Officer or formally from the Spot Purchase Office.

Initial renovations

If initial renovations are needed, architects from the Spot Purchase Branch consult with the RHC. Houses are renovated to basic, minimal standards agreed to between the co-ops and Spot Purchase. (The standards are attached to the end of this section).

Some of the older RHCs carry out their own initial renovations under the supervision of the Spot Purchase Branch.

Initial renovations commence immediately the property has been settled and the Ministry has access. Documentation and the letting of contracts for the work can take varying periods of time so no visible work on the property should be expected for some weeks after settlement.

Once the contract for initial renovations is let, the Works Officer attached to the Rental Housing Co-operative is responsible for the management of the contract and control of the quality of the work produced by the contractor.

The works carried out are in accordance with the budget prepared as part of the purchasing process and must be adhered to.

Handover

Once the initial renovations are complete the property is formally handed over to the Rental Housing Co-operative who are then responsible for allocation to a tenant and ongoing maintenance.

For an 8 week period after handover the contractor engaged to carry out the upgrading work is responsible for the repair of any defects that may occur in his works.

Regional Housing

House and Land packages

Under this programme the Ministry invites offers by public tender from developers - large and small - to submit proposals to build houses of their own design on land owned or controlled by them. Following the acceptance of offers recommended by a selection panel, the Ministry purchases the offered land and contracts with the developer for the construction of the building.

This programme accounted for the acquisition of around 1600 dwelling units in 1982/83 at an approximate budget of \$82 million. The units include three and four bedroom detached houses as well as two and three bedroom cluster development and involve a large range of designs as there are some 135 different builders and developers involved or associated with the programme. The houses are located in a wide range of suburbs and towns across the State and are scattered in a desired social-mix pattern in their respective neighbourhoods.

Design and Construct programme

Although the Ministry discontinued the large-scale building of standard-type houses on its estates, where various social and economic factors warrant the further utilization of the Ministry's own serviced allotments for rental-stock acquisition, such additional housing is now acquired principally through Design and Construct methods.

Under this programme the Ministry invites by public tenders building contractors to submit proposals to build houses of their own design on land owned and nominated by the Ministry. The sites for these houses are so selected that they are scattered among the Ministry's sold units. These developments - which involved an acquisition of 443 family houses in a wide range of metropolitan and country locations in 1982 and 1983 - are of a large range of designs and reflect the trends of private housing sector building designs.

Standard Ministry designed housing

Where the various social and economic factors necessitate, the Ministry does acquire additional housing on its own estates constructed under traditional building contracts to the Ministry's own designs and specifications.

This programme is mainly applied in localities where the response to the House and Land and Design and Construct Programmes is poor or economically unattractive, but it also serves as a useful monitor of cost and quality comparison between the Ministry's own standards and those offered by the private housing sector.

The sites for these houses are selected similarly to those in the Design and Construct programme. The house designs are varied and selected from those with proven user- popularity. A total of 107 houses spread in 14 localities are being acquired under this programme in 1983.

Minimal standards of housing

- (1) Houses shall consist of :- a kitchen and dining room, or a kitchen-dining room, a bathroom, a laundry, a living room and one or more bedrooms. The bedroom capacity of a house will be determined according to the living space provided.

- (2) Every habitable room will have natural lighting and ventilation.

- (3) Electrical: Every house shall be wired to current SEC standards.

Front and rear external lights shall be provided.

Each room will be provided with the following power points -

Bedroom : 1 double GPO

Living rooms : 2 double GPO's

Kitchen : 1 double GPO, 2 single GPO's

Kitchen/Dining : 2 double GPO's, 1 single GPO

Bathroom : 1 single GPO

Laundry : 1 single GPO

- (4) Painting : All houses are to be painted internally and externally unless painted within the last three years and the paintwork is in good condition.

- (5) Water : Every house shall have a continuous HWS, and cold water supply with adequate pressure for normal household purposes.

Front and rear garden taps to be provided if applicable.

- (6) Heating : To living/dining areas, preferably by the provision of a gas space heater.

- (7) Bathroom : All bathrooms will be internal and shall contain a bath/shower or shower; basin; cupboard and mirror; shower curtain; towel rails, and mechanised ventilation.
- (8) Toilet : Every house shall have a W.C within the bathroom, or within a separate enclosure. An external W.C may be connected to the house by a roofed walkway.
- (9) Kitchen : Every kitchen shall have a 4 burner gas or electric stove with an exhaust fan above. Every kitchen is to have cupboards consisting of a 3 door unit, a single nest of 4 drawers and a 3 door overhead cupboard.
- (10) Floor coverings : Living room and hall - carpets
Bedroom - carpets/lino/polished boards
Bathroom/laundry/kitchen - vinyl tiles.
- (11) Exterior : Clothesline to be provided. Either extendaline, rotary hoist or fold out line. Paving to washing line areas, and general paving and landscaping to front and rear gardens.
- (12) Windows : Flywires shall be provided to windows in kitchen, bathroom and living areas. Blinds will be provided to front windows and/or any overlooked windows.
- (13) Doors : All front doors shall be of timber construction.
Both front and rear doors to be provided with flyscreens.
- (14) Laundry : Every house shall be provided with a laundry, or laundry/bathroom fitted with a single bowl stainless steel trough with cupboard beneath, and washing machine outlets.
- (15) Broom cupboard : Every house shall have an all purpose broom cupboard.

Selection of tenants

An RHC is responsible for selecting its own tenant members within income eligibility criteria and guidelines set down by the Ministry. (See Information Sheet No. 1, p. 10, "Who can become a member of a Rental Co-op?").

Income eligibility criteria

Eligibility for families is based on average gross weekly income over the last six months. This includes shift penalties and bonuses, but excludes overtime.

The income eligibility limits vary according to the number of dependant children and are as follows:

Couple, no children	\$330 per week
Couple or single adult with one child	\$348 per week
Couple or single adult with two children	\$364 per week
Couple or single adult with three children	\$378 per week
Couple or single adult with four children	\$390 per week
Couple or single adult with five children	\$400 per week
Couple or single adult with six children	\$408 per week
Couple or single adult with seven children	\$414 per week

Couple or single adult with eight children	\$418 per week
Couple or single adult with nine children	\$420 per week

In addition, your family must not own a house, land, or convertible cash assets worth more than \$15,000.

Singles

Single people are only allowed to be housed in groups, unless the co-op looks at providing single bedroom accommodation, such as a rooming house.

Eligibility is based on the combined earnings of the two highest income-earners in your group. Group Income is based on combined average gross weekly income over the past six months. This includes shift penalties but excludes overtime.

The Group Income limit for eligibility is \$330 a week. In addition, all members of your group collectively must not have convertible cash assets of more than \$15,000.

Applicants

Applicants can be found by writing to those on top of the Ministry waiting list for the area chosen, offering them an opportunity to apply for housing with the RHC.

All an RHC or submitting group has to do is draft a letter explaining what the co-op is and who applicants should contact. The RHC Unit then arranges for this letter to be sent to those on top of the waiting list within the area which the RHC plans to operate.

Applicants can also be found through advertising in the local paper or through any community resource which has contact with people in need of housing.

The problem that needs to be avoided is building too large a pool of applicants as it unfairly raises their expectations of getting a house. At the same time, if an effort is not made to search out applicants, the RHC could be accused of operating as a "closed shop".

One compromise is to choose tenants in blocks. This involves:

- (1) widely advertising for applicants but providing a closing date for applications.
- (2) choosing a block of prospective tenant members (say 10 or 15) prior to purchase of housing.
- (3) writing to those who missed out.

When this block of tenant members has been housed, another round of advertising, etc. could begin.

This method has a number of advantages:

- . it avoids the build up of a waiting list
- . prospective tenants can be involved in learning how a co-op works before they get their house. At the very least, they go into the co-op with their eyes wide open as to what are their rights and responsibilities. Presumably, one of the responsibilities of prospective tenant members would be to regularly attend meetings.
- . prospective tenants are able to take part in the process of selecting their own house. Some limit on choice would need to be made to avoid excessive time delays.
- . at the beginning of a co-op's life, the choosing of a block of tenants ensures a large enough core group for the adequate sharing of the workload. It also ensures that policy-making is not concentrated in too few hands.

Selection criteria

An RHC's first five households usually self-select themselves through their involvement in the creation of the co-op.

After the first five households are selected, the two stage selection process described in Information Sheet No. 1 must be applied.

Any selection process drawn up would have to be primarily need-based and adhere to objective guidelines which are both easily applicable and non-discriminatory.

Where a large number of applicants apply for housing by a co-op, it is not possible to interview all of them.

As a first stage, the use of a needs based point system gives effect to the principle that those in the "highest need" are given priority. Any points system designed should be tied into the questions on the RHC's application form, so applicants could be scored from the answers they provide on their application form.

Where applicants scored less than a certain number of points (e.g. two-thirds of possible points), it could be agreed by the RHC that the applicant was automatically excluded from any further consideration. She would be written to and told that the RHC was unable to offer her housing.

RHCs can design their own points system and determine what "weighting" should be given between the different categories of need.

For instance, under the category of income, the maximum points that could be scored might be 20 points for earning less than \$80.00. While under the category of ties to the area within which an RHC operates, the maximum points an applicant might score could be 10 points where she had lived there more than 20 years.

Choice of weighting and categories determines priorities in selection. In the above example, for instance, the choice has been made that the amount of income earned is relatively more important than an applicant's ties to the local area.

Within each category, points could be awarded on a sliding scale. For instance, in scoring income, points awarded could decrease the higher the income a person earns.

Possible categories for inclusion in a points system are:-

- (a) income Either based on gross household income or percentage of household income paid in rent.
- (b) household size Points could be given for number of children or being a member of a special interest group (e.g. disabled, single parent).
- (c) housing conditions Could look at such factors as overcrowding homelessness, facing eviction, living with relatives, paying a high rent, poor conditions, unsuitability of current housing for medical or psychological reasons.
- (d) ties to the local area Points could be awarded on a sliding scale according to length of residence. Points could also be given for working in the area, having friends/relatives in the area, contribution to the local community, need for services in the area.

The above list is not exhaustive and not all categories would need to be included in a points system designed by an RHC. Any system drawn up, however, requires the agreement of the Ministry before an RHC can apply it.

There is nothing to stop an RHC from "fine tuning" its points system. Experience is bound to show ways it can be improved.

Procedure for choosing tenants

The interviewing and actual selection of tenant members for an RHC is usually assigned to a committee which makes recommendations to the general meetings or the Board of Directors.

Membership of the selection committee could be confined to tenants only or could include non-tenants such as a social planner. Northcote RHC includes a Ministry representative on the selection committee as a means of ensuring impartiality.

Where friends or relatives of members of the selection committee are up for interview, those members should absent themselves so there can be no suggestions of "favouritism" in relation to tenant selection. To prevent family groups forming factions within the co-op, the Fitzroy Collingwood association allows only three members of a family (includes first cousins) to form separate households within the association.

The selection committee could shortlist applicants for interview in a number of ways:-

- (a) by selecting the highest point scorers for interview.
- (b) by selecting a "block" of prospective tenant members as previously described.
- (c) by interviewing those who have passed the points system and have been on the waiting list for the longest time.

It is in this second stage of interviewing applicants that the selection committee should look at ways of determining whether an applicant could either be of benefit to the co-operative or benefit from involvement in a co-operative structure.

Although housing need should provide a basis for all tenant selection, it does not follow that co-operatives will necessarily be the best alternative for everyone, whether in housing need or not. Just as membership of a housing co-operative brings with it more control over your housing, so too it carries a level of responsibility and an obligation to face that responsibility.

Co-ops depend on every member pulling their weight. They cannot afford to "carry" people. Co-op members must be willing to take part in decision making and the management of the co-operative, otherwise they will merely be tenants of an organisation controlled by an unrepresentative and small group of members.

This is not to say that they should not take on elderly or disabled members or others who for genuine reasons cannot contribute as much to the running of the co-op. Indeed in very many instances they provide a better form of housing for such people than other organisations do.

When considering applicants it may be useful to take into account the part of the third co-operative principle which says "are willing to accept the responsibilities of membership"

Given most applicants complete lack of knowledge of co-operative management techniques and principles, the selection committee has to ask itself how can you be sure in an interview situation whether an applicant's enthusiasm to be involved is genuine or not? Clearly, where assessment of an applicant's potential to co-operate rests on an interview alone, those with the gift of the gab will shine brightest.

What is needed is a process which:

- (a) explains co-operative management techniques and principles to applicants.

Prior to interview, short listed applicants could be asked to attend introductory workshops to discuss such matters as minimal responsibilities of a co-op member, co-op principles and meeting procedures.

Carlton RHC has a weekly "morning tea" session where applicants and new members can meet informally.

Fitzroy, Collingwood RHA pioneered a "buddy" system where applicants are asked to contact specified members of the selection committee and arrange a meeting both to discuss the aims of the FCRHA and to determine the attitude of the applicant towards participating in the running of the Association.

- (b) clearly defines the minimum responsibilities of a co-op member from the outset.

Applicants need to be made aware what they are getting themselves in for before they are selected as members. In Canadian co-ops, the minimum responsibilities of a member are seen as:

- (i) regular payment of rent;
 - (ii) looking after their house;
 - (iii) attending general meetings regularly.
- (c) tests the stated willingness of an applicant to be involved.

Prior to interview, short listed applicants could be told that they will not be considered for membership until they attend a certain number of general meetings. Where a block selection of tenants occurs, the selection committee could inform the prospective members chosen that final allocation of a house was conditional on their attendance at a certain number of workshops or general meetings.

Staff and administration

Office

Each RHC has to run its own office.

The office provides a focal point for:

- . keeping of records;
- . central base for administrative work such as typing and phone-in point;
- . housing worker to work out of;
- . holding meetings;
- . contact between (a) applicants and the co-op
(b) existing members of the co-op
(c) the outside world and the co-op.

The office is usually run by the housing worker. Tenant members can help with typing, keeping the books or answering the phone. Most RHCs have an answering machine to ensure a secure line of communication between members and the co-op.

If you decide to have an office, a shopfront or house with a community room and kitchen facilities, although nice in theory, will prove expensive in practice. You will probably have to resign yourself to sharing premises. For supportive reasons it could help to share premises with another group or groups with similar principles.

To reduce rent, most RHCs either share premises or obtain them at a discounted rate with the help of their local council or a community group.

Office equipment could include desk, chairs, filing cabinet, bookcase, typewriter, telephone, answering machine and calculator (paper tape). Funding of these and any other items would be the subject of negotiation between the Ministry and the co-op as part of the assessment process.

All operating costs are expected to be eventually met by rent income. In the initial 3-5 year period, while houses are being added to an RHC's stock, the Ministry provides administrative subsidies to meet any shortfall between the rent income generated and actual operating costs.

Operating costs which need to be met include the salary of a housing worker, office rent, rates, maintenance, office costs (stationery, photocopying, postage, furniture, telephone) education costs, printing and advertising.

Problems with photocopying arise due to the high volume necessary to ensure members have copies of general meeting minutes and other information relating to the setting of policy and procedure. To keep costs down, some RHCs have made arrangements to use existing machines owned by local councils, politicians or community groups. Other RHCs have purchased duplicating machines.

Finance

Determining priorities for expenditure of rent income or administrative subsidies is largely the responsibility of the RHC.

An RHC is required to keep a double entry accounting system and lodge an audited, annual return with either the Companies Office or Registrar of Co-operatives, depending on which legal structure an RHC chooses.

It is a help if an RHC has access to an accountant willing to help set up an accounting system and teach tenant members financial skills. The RHC Unit is currently designing an accounting manual for use by RHCs.

All expenditure, by law, is required to be first approved by the co-op as a whole. Accounts for payment could be typed and presented to general meetings for approval. No cheques should be signed until approved by a meeting or the appropriate committee.

To justify the expenditure on any item, a co-op has to:

- . ensure all expenditure decision are noted and approved in the minutes of the general meetings.
- . the originals of quotes/bills received are retained by the co-op. For ease of access, these should be kept in a loose-leaf folder.

In relation to rent income, rent records must be kept up to date, and, at law, the tenant has access to her file. For all income other than rent, the RHC must issue a receipt.

Usually, an RHC sets up a committee to draft budget projections and monitor expenditure.

This committee could also co-ordinate administration and provide administrative direction for the housing worker.

Separate committees could be set up in the areas of administration, finance and a support group for the housing worker. The problem here is that unless the co-op rationalises the number of committees it has, you could end up with almost as many committees as you have members!

For information about budget projections, see Information Sheet No. 5.

Housing worker

An RHC is allowed one full-time housing worker. The housing worker has much the same role as a manager in any ordinary small business.

The worker acts under direction of general meetings or the Board of Directors. Support from the co-op for the worker could come from a special committee or through an administrative committee.

The worker's role needs to be clearly outlined by co-op members in a job specification prior to the co-op interviewing people for this job.

The co-op members need to think carefully about what they want their worker to do. For instance:

- . should the worker be able to type, or is that going to be done by members or through a community centre?
- . will the worker be required to link in with other co-ops?
- . is the worker going to have to keep the accounting records?
- . does the worker need maintenance skills; that is, will s/he be expected to co-ordinate renovations/maintenance?
- . do the members expect the worker to intervene where there are personal problems?
- . does the worker need writing or speaking skills?
- . should s/he understand housing issues?
- . is the worker to act as a catalyst for tenant involvement?
- . how often is rent to be monitored?
- . will the worker have to convene all meetings?

Given the amount of work generated by an RHC, it would be impossible to dump the whole load on the housing worker.

Ideally, the administrative burden should be shared around as much as possible. Members need to be involved in everything if they are to ensure that the tail does not end up wagging the dog.

Major tasks to be divided between the co-op members and the housing worker are:

- . meetings. Convening, preparing agenda, organising child care, presenting reports, taking minutes, education in meeting procedure, encouraging regular attendance, implementing decisions passed.
- . information distribution. Typing, photocopying, writing reports, circulating minutes and reports, writing and answering letters, holding workshops, working with other co-ops and housing groups, liaising with the Ministry of Housing.
- . legal requirements. Ensuring these are complied with in the areas of finance and decision-making.
- . rent. Assessing, collecting, monitoring. Keeping rent records.
- . finance. Writing up accounting books, preparing then monitoring budget projections, presenting accounts for approval, paying bills, passing on accounting skills to members.
- . purchase/renovations. Spotting houses, consulting with tenants and architects, drawing up work specifications, supervising contractors.
- . maintenance. Inspection on request and routine inspections, organising and monitoring repairs, passing on maintenance skills.
- . tenant selection. Taking applications, scoring the points system, interviewing, introductory workshops.
- . encouraging member participation. Social events, workshops, visiting, matching the co-ops activities with the needs and wants of members.

The housing worker could be required to make a report on her activities to the general meetings.

The starting salary rate for co-op housing workers is the Australian Social Welfare Unions, Qualified Welfare Worker Award, Class III, Year I.

An RHC can choose for their worker to be full or part time. Given the workload at the beginning it is advisable that a group consider having their worker on a full-time basis.

It is not necessary for a housing worker to have academic qualifications. Attributes usually considered important are community development experience, an ability to relate to the tenant members, communication skills and self-motivation.

Maintenance

By their very nature, RHCs are capable of providing a flexible, responsive and accountable maintenance service.

After handover of a property an RHC is responsible for organising its own maintenance.

Like any homeowner, an RHC is able to employ local tradesmen.

Co-ordination is generally carried out by a committee which considers requests from tenant members, although in emergencies tenant members should be able to contact tradesmen direct.

Annual inspections should be carried out to determine major maintenance priorities in the coming year.

Tenant members usually have the right to decorate their houses as they see fit.

A group should develop a method of maintenance delivery which is accessible and accountable to tenant members, guarantees budgetary control, and ensures the RHC's housing stock will be maintained at a high standard.

In order that tenants can meaningfully exercise their right to decorate and have enough understanding to control the delivery of maintenance, an RHC needs to develop a process for passing on maintenance skills to tenant members.

Maintenance is one of the largest items of expenditure for a co-op. Its efficient handling is also of prime importance in terms of tenant satisfaction with the co-op.

Definitions

Property costs can be divided into those which the Ministry has to pay and those which are the responsibility of a co-op.

Capital costs

As the Ministry owns the housing leased to an RHC, the Ministry pays all capital costs - that is all costs relating to purchase, construction or initial renovations prior to handover of a house to the RHC. Where a house is transferred by the Ministry to an RHC, it should conform at handover with the basic minimal standards of housing set down at the end of the "Selection and renovation of houses" section in this Information Sheet.

The other capital cost for which the Ministry should be responsible is where improvements are carried out to an RHC house subsequent to handover which could be described as a new addition or a substantial alteration for a new use. This sort of work is known as upgrading.

Upgrading should not be confused with the replacement of old or worn out items. For instance, where an RHC replaced an old, built in electric heater with a gas space heater subsequent to handover, such action would be regarded as falling under the general heading of maintenance, and therefore a cost the RHC should bear.

Where, however, an RHC provided a built-in heater where one did not exist before, this can be defined as upgrading. The problem here is getting the owner of the property (that is, the Ministry) to first, agree that an upgrading has taken place; and to secondly acknowledge that the Ministry should pay the cost of that improvement.

Co-ops needs to understand that, by law, any improvements carried out automatically become the property of the owner, and the owner is not liable to pay a lessee one cent unless there is a prior agreement to do so.

Therefore, unless specifically applied for through the RHC Unit, supervision and payment for upgrading is the responsibility of the individual RHC. For accounting purposes, upgrading costs should be kept separate from maintenance.

Given the difficulty of recovering upgrading costs, every effort should be made by an RHC to ensure old fixtures are replaced and structural defects remedied in the initial renovations period.

Types of maintenance

Supervision and payment of emergency or preventive maintenance is the responsibility of an RHC.

The Ministry is in the process of designing a cyclical maintenance system to apply to RHCs. As this is still in the design stage, it is not yet clear who will be responsible for the payment and carrying out of this work.

Specific definitions of the different types of maintenance are:-

Emergency - Corrective maintenance which should be initiated immediately upon detection for reasons of health, safety or security.

Preventive - Actions performed to retain an item in a specified condition by providing systematic inspection, detection and prevention of failure in the future.

Cyclical - Maintenance programmed within a budget to be carried out over a specific time period. For example, external painting of weatherboards or the replacement of a roof to be carried out on a regular specified basis.

Designing a system

Tenant members should be entitled to contact tradesmen for emergency problems. To this end, the co-op needs to draw up a list which includes the phone numbers of a recommended plumber and electrician and the Gas and Fuel and Board of Works, and distribute that list to all members for use in emergencies.

Where tenants were allowed to organise all their own repairs by contacting local tradesmen, this would be the method most closely approximating that used by homeowners.

The major problem here is how would the co-op keep maintenance expenditure within budgetted limits? It would require tenant members as a group to learn maintenance skills so they could supervise the tradesmen. And how would you prevent abuse of the system?

For repairs not needing immediate remedy, most co-ops require that the maintenance request be considered by a committee. The committee serves a number of functions:-

- . it co-ordinates the shopping around for the lowest prices and best service. A co-op has the advantage that it can shop in bulk - that is, it is possible to negotiate lower prices and quick service from tradesmen by promising them future work on co-op houses where they do a satisfactory job.
- . it can screen requests and determine the best way to remedy the fault. Presumably members of the maintenance committee would have picked up skills that made this process possible.
- . it would oversee control of expenditure to ensure it was kept within budgetary limits. This involves some method of setting priorities.

One method would be to hold annual inspections of all houses, estimate the cost of the repair work needed, and list in order of priority. All tenant members should be given the opportunity to take part in the listing of priorities.

The following administrative work is required to be carried out in relation to maintenance. How it is divided up between the co-op members and the housing worker is a matter for the RHC to decide.

1. Routine inspections. These also ensure the co-op's housing is being maintained at a good standard. Tenants who lack maintenance skills are not going to be able to pick up hidden defects which could develop into major headaches if they are not repaired promptly.

2. Discussions with tenants following a complaint.
3. Inspection of defects.
4. Writing specification of repairs. Necessary in the more complex jobs, such as roof repairs, as it provides certainty about what is to be done.
5. Obtaining estimates. At least three estimates should be sought for all major work. They ensure you won't be ripped off.
6. Placing order for work.
7. Checking work in progress and the completed work. People with skills are required here. Either co-op members learn them or the co-op finds builders/architects who will do this for them.
8. Paying invoices.
9. Keeping maintenance records. This will be particularly important in the development of a cyclical maintenance system. Without records you can't keep track of the progress or decline in the state of health of the co-op's houses.

Any maintenance system designed would need to be accountable back to the tenant members as a whole. If a committee was used, its decisions would need to be ratified by the general meetings. Where tenants felt their requests were not adequately dealt with, they have the right, ultimately, to put their case to the general meetings for arbitration.

Right to decorate

One of the rights of co-op tenant members is to decorate their houses as they see fit.

A co-op should not attempt to interfere with this right on the grounds of aesthetics. For instance, if a tenant member wanted to

paint the house pink with purple stripes, the only role of the co-op would be to ensure this was carried out in a technically proper manner.

Where tenants are painting, decorating or landscaping to suit their own tastes this should be done at their own cost. If, however, maintenance is necessary, the tenant should be able to recover costs so long as they apply in advance and they are technically proficient.

A co-op is able to reduce the high cost of maintenance where its members are willing and able to do their own repairs.

Williamstown RHC has passed on maintenance skills to members by enrolling them in a handyman course at the local tech. It has also set up a tool library so tenants have access to the equipment needed to carry out basic repairs.

Those with maintenance skills could carry out repairs for other co-op members. Materials and/or labour involved could be paid for by the co-operative.

Rent assessment and collection

Using the Ministry of Housing rent rebate formula, rent is assessed and collected by an RHC. In a co-op, the payment of rent is the responsibility of the tenant members, who pay directly into a central bank account. Management of rent arrears is left to the RHC.

Assessment

The rents set are related to a person's ability to pay, rather than the condition or location of a house.

The method of rent assessment involves taking 20 per cent of the main breadwinners' weekly gross income (husband and wife) up to the minimum wage (currently \$178) plus 25 per cent of any income above that. Also included is 10 per cent of the income of any other member of the household, such as children or boarders, up to the minimum wage. Income from family allowances and irregular maintenance payments are excluded from rent assessment.

The rent rebate scale used by the Ministry is attached at the end of this section. The scale is current to July, 1984. For further information about rent rebates, contact Doug Cuttiford on 669 1596.

Notification of the market rent which is to apply to a particular house is made on handover. Market rent figures are available from Ainslie Jansz on 669 1189.

For reasons of confidentiality, the assessment of rents in an RHC is usually the responsibility of the housing worker. Rents should be assessed, at least, yearly.

Tenant members should be required to produce some proof of income, such as a pension card or wage slips. Where a tenants' income changes, they should immediately contact the housing worker so their rent can be adjusted.

Rent assessment could take place at the same time as renewal of the lease between the RHC and a tenant member.

Rent formula for group housing

The rental for any property is to be 20% of the joint household income of all members of the household up to the minimum wage (i.e. \$178) plus 25% of income above the minimum wage up to the market rental for that property, whichever is the lower. Rent is not to exceed the market rent for the property.

How the rent is divided between tenant members of the group is for them to decide.

The rent level struck at the commencement of the tenancy will apply until either:

(a) a new tenancy agreement is negotiated

or

(b) the group notifies their office that the income of the household has changed.

The onus of notification of change of income is upon the tenants.

Collection

Payment of rent should be made the responsibility of the tenant member.

The recommended method of rent collection involves the tenant paying her rent directly into a bank or building society account.

The co-op obtains ordinary bank, pay-in books from a local branch. Each tenant is assigned a number which is stamped on every slip in their pay in book.

When the tenant pays at a branch of the bank chosen, the rent paid is transferred into the co-op's central account. Which tenant paid what can be identified from the bank's statement as the assigned tenant number will appear next to each payment recorded on the statement.

Rent records, then, can be written up from the bank statement. Where only tenant numbers are used on rent records so as to preserve confidentiality, tenant members would be able to write up the books.

Arrears

Tenants should be encouraged to pay regularly, either fortnightly, or, at the most, monthly.

Monitoring of rent payments is usually the responsibility of the housing worker. This should be done fortnightly to prevent the build-up of arrears.

Where rent arrears go above a certain level, the RHC would need to decide whether the matter should be discussed at a general meeting or by a committee to discuss what action should be taken.

A basic conflict which needs careful weighing here is between the individual's right to privacy and the co-op's need to recover its rent income.

Rent arrears and income lost through vacancies should be kept to no more than 5 per cent of total rent income - otherwise rent arrears would be above the average for public rental housing in general.

RENTAL REBATE SCALE AS FROM 1ST JULY, 1983

NOTIONAL MINIMUM WAGE \$178.00

T & S TO	RENT PAYABLE	T & S TO	RENT PAYABLE	T & S TO	RENT PAYABLE	T & S TO	RENT PAYABLE	T & S TO	RENT PAYABLE	T & S TO	RENT PAYABLE	T & S TO	RENT PAYABLE	T & S TO	RENT PAYABLE
53.00	10.60	70.00	14.00	87.00	17.40	104.00	20.80	121.00	24.20	138.00	27.60	155.00	31.00	172.00	34.40
53.50	10.70	70.50	14.10	87.50	17.50	104.50	20.90	121.50	24.30	138.50	27.70	155.50	31.10	172.50	34.50
54.00	10.80	71.00	14.20	88.00	17.60	105.00	21.00	122.00	24.40	139.00	27.80	156.00	31.20	173.00	34.60
54.50	10.90	71.50	14.30	88.50	17.70	105.50	21.10	122.50	24.50	139.50	27.90	156.50	31.30	173.50	34.70
55.00	11.00	72.00	14.40	89.00	17.80	106.00	21.20	123.00	24.60	140.00	28.00	157.00	31.40	174.00	34.80
55.50	11.10	72.50	14.50	89.50	17.90	106.50	21.30	123.50	24.70	140.50	28.10	157.50	31.50	174.50	34.90
56.00	11.20	73.00	14.60	90.00	18.00	107.00	21.40	124.00	24.80	141.00	28.20	158.00	31.60	175.00	35.00
56.50	11.30	73.50	14.70	90.50	18.10	107.50	21.50	124.50	24.90	141.50	28.30	158.50	31.70	175.50	35.10
57.00	11.40	74.00	14.80	91.00	18.20	108.00	21.60	125.00	25.00	142.00	28.40	159.00	31.80	176.00	35.20
57.50	11.50	74.50	14.90	91.50	18.30	108.50	21.70	125.50	25.10	142.50	28.50	159.50	31.90	176.50	35.30
58.00	11.60	75.00	15.00	92.00	18.40	109.00	21.80	126.00	25.20	143.00	28.60	160.00	32.00	177.00	35.40
58.50	11.70	75.50	15.10	92.50	18.50	109.50	21.90	126.50	25.30	143.50	28.70	160.50	32.10	177.50	35.50
59.00	11.80	76.00	15.20	93.00	18.60	110.00	22.00	127.00	25.40	144.00	28.80	161.00	32.20	178.00	35.60
59.50	11.90	76.50	15.30	93.50	18.70	110.50	22.10	127.50	25.50	144.50	28.90	161.50	32.30	178.40	35.70
60.00	12.00	77.00	15.40	94.00	18.80	111.00	22.20	128.00	25.60	145.00	29.00	162.00	32.40	178.80	35.80
60.50	12.10	77.50	15.50	94.50	18.90	111.50	22.30	128.50	25.70	145.50	29.10	162.50	32.50	179.20	35.90
61.00	12.20	78.00	15.60	95.00	19.00	112.00	22.40	129.00	25.80	146.00	29.20	163.00	32.60	179.60	36.00
61.50	12.30	78.50	15.70	95.50	19.10	112.50	22.50	129.50	25.90	146.50	29.30	163.50	32.70	180.00	36.10
62.00	12.40	79.00	15.80	96.00	19.20	113.00	22.60	130.00	26.00	147.00	29.40	164.00	32.80	180.40	36.20
62.50	12.50	79.50	15.90	96.50	19.30	113.50	22.70	130.50	26.10	147.50	29.50	164.50	32.90	180.80	36.30
63.00	12.60	80.00	16.00	97.00	19.40	114.00	22.80	131.00	26.20	148.00	29.60	165.00	33.00	181.20	36.40
63.50	12.70	80.50	16.10	97.50	19.50	114.50	22.90	131.50	26.30	148.50	29.70	165.50	33.10	181.60	36.50
64.00	12.80	81.00	16.20	98.00	19.60	115.00	23.00	132.00	26.40	149.00	29.80	166.00	33.20	182.00	36.60
64.50	12.90	81.50	16.30	98.50	19.70	115.50	23.10	132.50	26.50	149.50	29.90	166.50	33.30	182.40	36.70
65.00	13.00	82.00	16.40	99.00	19.80	116.00	23.20	133.00	26.60	150.00	30.00	167.00	33.40	182.80	36.80
65.50	13.10	82.50	16.50	99.50	19.90	116.50	23.30	133.50	26.70	150.50	30.10	167.50	33.50	183.20	36.90
66.00	13.20	83.00	16.60	100.00	20.00	117.00	23.40	134.00	26.80	151.00	30.20	168.00	33.60	183.60	37.00
66.50	13.30	83.50	16.70	100.50	20.10	117.50	23.50	134.50	26.90	151.50	30.30	168.50	33.70	184.00	37.10
67.00	13.40	84.00	16.80	101.00	20.20	118.00	23.60	135.00	27.00	152.00	30.40	169.00	33.80	184.40	37.20
67.50	13.50	84.50	16.90	101.50	20.30	118.50	23.70	135.50	27.10	152.50	30.50	169.50	33.90	184.80	37.30
68.00	13.60	85.00	17.00	102.00	20.40	119.00	23.80	136.00	27.20	153.00	30.60	170.00	34.00	185.20	37.40
68.50	13.70	85.50	17.10	102.50	20.50	119.50	23.90	136.50	27.30	153.50	30.70	170.50	34.10	185.60	37.50
69.00	13.80	86.00	17.20	103.00	20.60	120.00	24.00	137.00	27.40	154.00	30.80	171.00	34.20	186.00	37.60
69.50	13.90	86.50	17.30	103.50	20.70	120.50	24.10	137.50	27.50	154.50	30.90	171.50	34.30	186.40	37.70

NOTE 1 - T. & S. = Tenant and Spouse Income. (Total Combined Income).

NOTE 2 - Where any other person resides in the dwelling, 10% of that person's weekly income or 10% of the notional minimum wage, whichever is the lower, should be added to the above scale of rents payable.

RENTAL REBATE SCALE AS FROM 1ST JULY, 1983

NOTIONAL MINIMUM WAGE \$178.00

T & S RENT TO PAYABLE	T & S RENT TO PAYABLE	T & S RENT TO PAYABLE	T & S RENT TO PAYABLE	T & S RENT TO PAYABLE	T & S RENT TO PAYABLE	T & S RENT TO PAYABLE	T & S RENT TO PAYABLE	T & S RENT TO PAYABLE	T & S RENT TO PAYABLE	T & S RENT TO PAYABLE	T & S RENT TO PAYABLE	T & S RENT TO PAYABLE	T & S RENT TO PAYABLE
200.40 41.20	214.00 44.60	227.60 48.00	241.20 51.40	254.80 54.80	268.40 58.20	282.00 61.60	295.60 65.00	309.20 68.40					
200.80 41.30	214.40 44.70	228.00 48.10	241.60 51.50	255.20 54.90	268.80 58.30	282.40 61.70	296.00 65.10	309.60 68.50					
201.20 41.40	214.80 44.80	228.40 48.20	242.00 51.60	255.60 55.00	269.20 58.40	282.80 61.80	296.40 65.20	310.00 68.60					
201.60 41.50	215.20 44.90	228.80 48.30	242.40 51.70	256.00 55.10	269.60 58.50	283.20 61.90	296.80 65.30	310.40 68.70					
202.00 41.60	215.60 45.00	229.20 48.40	242.80 51.80	256.40 55.20	270.00 58.60	283.60 62.00	297.20 65.40	310.80 68.80					
202.40 41.70	216.00 45.10	229.60 48.50	243.20 51.90	256.80 55.30	270.40 58.70	284.00 62.10	297.60 65.50	311.20 68.90					
202.80 41.80	216.40 45.20	230.00 48.60	243.60 52.00	257.20 55.40	270.80 58.80	284.40 62.20	298.00 65.60	311.60 69.00					
203.20 41.90	216.80 45.30	230.40 48.70	244.00 52.10	257.60 55.50	271.20 58.90	284.80 62.30	298.40 65.70	312.00 69.10					
203.60 42.00	217.20 45.40	230.80 48.80	244.40 52.20	258.00 55.60	271.60 59.00	285.20 62.40	298.80 65.80	312.40 69.20					
204.00 42.10	217.60 45.50	231.20 48.90	244.80 52.30	258.40 55.70	272.00 59.10	285.60 62.50	299.20 65.90	312.80 69.30					
204.40 42.20	218.00 45.60	231.60 49.00	245.20 52.40	258.80 55.80	272.40 59.20	286.00 62.60	299.60 66.00	313.20 69.40					
204.80 42.30	218.40 45.70	232.00 49.10	245.60 52.50	259.20 55.90	272.80 59.30	286.40 62.70	300.00 66.10	313.60 69.50					
205.20 42.40	218.80 45.80	232.40 49.20	246.00 52.60	259.60 56.00	273.20 59.40	286.80 62.80	300.40 66.20	314.00 69.60					
205.60 42.50	219.20 45.90	232.80 49.30	246.40 52.70	260.00 56.10	273.60 59.50	287.20 62.90	300.80 66.30	314.40 69.70					
206.00 42.60	219.60 46.00	233.20 49.40	246.80 52.80	260.40 56.20	274.00 59.60	287.60 63.00	301.20 66.40	314.80 69.80					
206.40 42.70	220.00 46.10	233.60 49.50	247.20 52.90	260.80 56.30	274.40 59.70	288.00 63.10	301.60 66.50	315.20 69.90					
206.80 42.80	220.40 46.20	234.00 49.60	247.60 53.00	261.20 56.40	274.80 59.80	288.40 63.20	302.00 66.60	315.60 70.00					
207.20 42.90	220.80 46.30	234.40 49.70	248.00 53.10	261.60 56.50	275.20 59.90	288.80 63.30	302.40 66.70	316.00 70.10					
207.60 43.00	221.20 46.40	234.80 49.80	248.40 53.20	262.00 56.60	275.60 60.00	289.20 63.40	302.80 66.80	316.40 70.20					
208.00 43.10	221.60 46.50	235.20 49.90	248.80 53.30	262.40 56.70	276.00 60.10	289.60 63.50	303.20 66.90	316.80 70.30					
208.40 43.20	222.00 46.60	235.60 50.00	249.20 53.40	262.80 56.80	276.40 60.20	290.00 63.60	303.60 67.00	317.20 70.40					
208.80 43.30	222.40 46.70	236.00 50.10	249.60 53.50	263.20 56.90	276.80 60.30	290.40 63.70	304.00 67.10	317.60 70.50					
209.20 43.40	222.80 46.80	236.40 50.20	250.00 53.60	263.60 57.00	277.20 60.40	290.80 63.80	304.40 67.20	318.00 70.60					
209.60 43.50	223.20 46.90	236.80 50.30	250.40 53.70	264.00 57.10	277.60 60.50	291.20 63.90	304.80 67.30	318.40 70.70					
210.00 43.60	223.60 47.00	237.20 50.40	250.80 53.80	264.40 57.20	278.00 60.60	291.60 64.00	305.20 67.40	318.80 70.80					
210.40 43.70	224.00 47.10	237.60 50.50	251.20 53.90	264.80 57.30	278.40 60.70	292.00 64.10	305.60 67.50	319.20 70.90					
210.80 43.80	224.40 47.20	238.00 50.60	251.60 54.00	265.20 57.40	278.80 60.80	292.40 64.20	306.00 67.60	319.60 71.00					
211.20 43.90	224.80 47.30	238.40 50.70	252.00 54.10	265.60 57.50	279.20 60.90	292.80 64.30	306.40 67.70	320.00 71.10					
211.60 44.00	225.20 47.40	238.80 50.80	252.40 54.20	266.00 57.60	279.60 61.00	293.20 64.40	306.80 67.80	320.40 71.20					
212.00 44.10	225.60 47.50	239.20 50.90	252.80 54.30	266.40 57.70	280.00 61.10	293.60 64.50	307.20 67.90	320.80 71.30					
212.40 44.20	226.00 47.60	239.60 51.00	253.20 54.40	266.80 57.80	280.40 61.20	294.00 64.60	307.60 68.00	321.20 71.40					
212.80 44.30	226.40 47.70	240.00 51.10	253.60 54.50	267.20 57.90	280.80 61.30	294.40 64.70	308.00 68.10	321.60 71.50					
213.20 44.40	226.80 47.80	240.40 51.20	254.00 54.60	267.60 58.00	281.20 61.40	294.80 64.80	308.40 68.20	322.00 71.60					
213.60 44.50	227.20 47.90	240.80 51.30	254.40 54.70	268.00 58.10	281.60 61.50	295.20 64.90	308.80 68.30	322.40 71.70					

RENTAL REBATE SCALE AS FROM 1ST JULY, 1983

NOTIONAL MINIMUM WAGE \$178.00

T & S TO	RENT PAYABLE	T & S TO	RENT PAYABLE	T & S TO	RENT PAYABLE
322.80	71.80	334.40	74.70	346.00	77.60
323.20	71.90	334.80	74.80	346.40	77.70
323.60	72.00	335.20	74.90	346.80	77.80
324.00	72.10	335.60	75.00	347.20	77.90
324.40	72.20	336.00	75.10	347.60	78.00
324.80	72.30	336.40	75.20	348.00	78.10
325.20	72.40	336.80	75.30	348.40	78.20
325.60	72.50	337.20	75.40	348.80	78.30
326.00	72.60	337.60	75.50	349.20	78.40
326.40	72.70	338.00	75.60	349.60	78.50
326.80	72.80	338.40	75.70	350.00	78.60
327.20	72.90	338.80	75.80	350.40	78.70
327.60	73.00	339.20	75.90	350.80	78.80
328.00	73.10	339.60	76.00	351.20	78.90
328.40	73.20	340.00	76.10	351.60	79.00
328.80	73.30	340.40	76.20	352.00	79.10
329.20	73.40	340.80	76.30	352.40	79.20
329.60	73.50	341.20	76.40	352.80	79.30
330.00	73.60	341.60	76.50	353.20	79.40
330.40	73.70	342.00	76.60	353.60	79.50
330.80	73.80	342.40	76.70	354.00	79.60
331.20	73.90	342.80	76.80	354.40	79.70
331.60	74.00	343.20	76.90	354.80	79.80
332.00	74.10	343.60	77.00	355.20	79.90
332.40	74.20	344.00	77.10	355.60	80.00
332.80	74.30	344.40	77.20	356.00	80.10
333.20	74.40	344.80	77.30	356.40	80.20
333.60	74.50	345.20	77.40	356.80	80.30
334.00	74.60	345.60	77.50	357.20	80.40

Conditions of occupancy

An RHC has the power to develop its own lease conditions to apply between a tenant member and the co-operative.

Any lease developed should comply with the provisions of the Residential Tenancies Act.

The lease should clearly set down both the responsibilities of the co-op as a whole and those of the individual tenant member. At the very least, the sub-lease should guarantee security of tenure so long as the member fulfils minimum obligations such as paying her rent regularly.

Other clauses in the lease could grant rights to decorate, to privacy and to repair.

Any breach of an individual member's obligations under the sub-lease should not result in automatic eviction. Where a breach was serious (e.g. refusal to pay rent or anti-social behavior) it would be up to the general meeting to judge each case on its merits. Again a system would need to be devised which balanced the rights of the individual and the needs of the co-op as a whole.

The lease could impose an obligation on a tenant member to participate in the affairs of the co-op - for instance, by regular attendance at general meetings.

The agreement sets the basic conditions for a sound co-op and member relationship. You may wish to include the aims of your co-op in the lease.

In an RHC, no bond is required to be paid by a tenant.

It would be a useful exercise for your group to list what you see as the co-op responsibilities and the individual tenant member's responsibilities.

Co-op responsibilities

The following list is not exhaustive. You may wish to add others.

- . Guaranteed regular maintenance. To keep good repair and working order the structure, exterior and services and to effect repairs within a reasonable period of time. To inspect each RHC house at least annually.
- . Right to privacy. Notice to be given of any maintenance inspections. A maximum amount of inspections could be specified yearly.
- . Security of tenure. Not to interfere with the tenant's right to occupancy so long as she complies with the conditions spelt out as her responsibilities in the lease.

The lease should clearly define the procedures that would be followed where a tenant was in breach of the lease.

Decisions relating to eviction must comply with the provisions of the Residential Tenancies Act. Fourteen days notice must be given in writing where there is a valid reason under the act to evict. Those areas are:

- (a) large rent arrears or refusal to pay rent
- (b) damage to a co-op house
- (c) anti-social behavior.

The Act, however, does not regard refusal to participate in the affairs of a co-op as valid grounds for eviction.

Where a co-op took steps for this reason, it would therefore be legally required to give six months notice of eviction.

- . to abide by general meeting decisions. Under this heading tenant members have given themselves rights in the past to:
 - (a) remain in the house of their choice, regardless of whether or not family size decreases.
 - (b) decorate as they see fit.
 - (c) transfer from house to house within the RHC.

All of these rights could be incorporated in the original lease.

- . to apply the Ministry of Housing rent rebate formula. The formula should be contained in the lease so tenant members are clear about how their rent is assessed. How often rent is to be assessed should also be set down.

Tenant member responsibilities

Again this list is not exhaustive and an RHC could leave some of them out of their lease.

- . regular payment of rent. The actual rent to be paid, and whether weekly fortnightly or monthly, should be set down in the lease.
- . not to create a nuisance or disturb neighbours or other co-op members.
- . keep the premises clean and in good order. This could include a duty to repair any damage caused by the tenant or guests. There is some controversy over whether or not a co-op should try and enforce standards of cleanliness. How are these to be defined? Who would police them?
- . to give reasonable notice of termination of membership.
- . informing the RHC where any extra people move into the tenants' house. The co-op could insist that members first have to obtain permission in this situation, but the clause should then be added that the RHC agrees not to refuse permission unreasonably.
- . to participate to a reasonable extent in the affairs of the RHC. To have any force this needs to be defined, otherwise you get into arguments about what is a reasonable amount of participation? Further, unless the lease spells out what action would be taken where a member fails to participate, no way exists of enforcing this obligation.

Legal structure

Rental Co-ops have to incorporate as a non-profit company or register as a co-operative for reasons of:

- . legal capacity to lease the houses and accountability in relation to the housing the RHC manages;
- . financial accountability. Legislation for both co-ops and companies requires that accounts are audited annually.
- . provision of a democratic management framework which legally must be adhered to by RHC members.

Of the ten existing co-op groups, only two have chosen to set up under the Companies Act as a company limited by guarantee. They are the Fitzroy Collingwood Rental Housing Association and the Camberwell Independent Living Association.

The FCRHA decided to use a company structure as it allows places to be held on the Board of Directors for nominated people. The FCRHA has nominated positions on its Board for local council representatives, a representative nominated by the Housing Commission, and four 'expert' directors co-opted from the local community. The four areas of specialist skills seen as invaluable to the efficient running of the FCRHA were company law, accountancy, social planning and house maintenance. All directors work on a voluntary basis.

Under the Co-operation Act, all members must have equal voting rights. Any directors must be elected by the whole of the membership.

The Camberwell Independent Living Association (CILA) is registering as a company so it can gain access to Health Commission funds. Set up purely for disabled people, CILA has been told it will only be recognised by the Health Commission where it registers as a company.

Most groups have chosen to register as a co-operative because:

- . the group formally adopts co-operative principles which identify the essential hallmarks of a co-operative management structure. (see part 3 of this section)
- . under model rules developed by the Co-operative Housing Advice Service (CHAS), policy making is placed in the hands of the membership as a whole, rather than confined to a Board of Directors.
- . the procedures under the Co-operation Act are less formal and there are no charges for such requirements as the filing of an annual return.
- . the Registrar of Co-operatives offers more back up support in the development of model rules for a co-op than the Companies Office.
- . members of a co-operative can be paid for their services; members of a non-profit company cannot.

Currently, amendments are being drafted to the Housing Act specifically in relation to rental co-ops. Any RHC (whether a company or a co-operative) will be able to transfer to come under this new legislation if it so wishes. The legislation should be in place by 1984.

Basic procedures in relation to the formation and operation of a rental co-op under the new legislation will not change drastically compared with those provisions which currently apply under the Co-operation Act. Provisions of the Co-operation Act are examined in detail in the next part of this section.

Copies of Memorandum and Articles of Association for a rental co-op set up as a non-profit company can be obtained from the FCRHA. Copies of model rules for a RHC registered as a co-op can be obtained from the Rental Housing Co-operative Advice Service (CHAS).

Requirements of the Co-operation Act

Formation

A co-operative society may be formed by seven or more persons. Membership is open to any person who is not under the age of 15 years. However, membership may be limited to a specific bond as determined by the society's rules. For instance, the rules could prescribe that members were expelled if they failed to attend a certain number of meetings.

Members are required to apply for shares in the society. Usually shares in a rental co-op are only \$1 or \$2.

To enable formation of a society a meeting must be held at which the Rules and a Formation Statement are tabled and approved by those present. No particular type of notice has to be given to those attending the formation meeting.

At the meeting, eligible persons apply for membership, and directors to the Board are elected.

After the meeting the Rules and Statement together with the Statutory formation papers must then be forwarded to the Registrar of Co-operative Societies within two months, for formal registration of the society. There is no cost involved in registering a co-operative.

The formation documents

It is simply a matter of adopting model rules for Community Advancements Societies. However, certain amendments, according to the needs of the individual society will be required to be made. Model rules specially for rental co-ops, have been adopted by CHAS, and Mornington, Williamstown and Carlton RHCs.

A statement in the nature of a 'prospectus' is required to be submitted to the formation meeting. The statement sets out:-

- (a) the objects of the society;
- (b) the factors which will ensure that it will be co-operative in character and operation;
- (c) the reason for believing that, when registered, it will be able to carry out its objects successfully.

Documents to be submitted to the Registrar with the Rules and Formation Statement are:-

1. Form 8 - Application for registration of the society.
2. Form 9 - Being a statutory declaration by the chairman and secretary of the formation meeting as to compliance with section 53 of the Act, which relates to formation of societies.
3. Form 3 - A list containing the full name, occupation and address of each director, together with a statement of competency.
4. Form 10 - Particulars regarding each applicant for membership.

The Registrar advises that sponsors of the co-operative, seek the assistance of an officer of the Registry in the preparation of the before-mentioned formation documents. Copies of formation documents are available from the Registrar.

Specific help can be obtained from:

Kerry Nolan,
Chief Inspector of Co-operatives,
Legal and Registry Division,
16th Floor, Myer House,
250 Elizabeth Street,
MELBOURNE. 3000

His phone number is 669 1764.

Operation

Liability

Every society is formed with limited liability; that is, a member is only liable to the society for the amount, if any, unpaid on her shares in the event of the co-op going bankrupt. On winding up, the houses would revert to the Ministry, but co-op tenant members would be able to stay in their houses.

Membership

Unless otherwise provided by the rules of the society, any persons who are not under the age of fifteen years are qualified to be members of the society. Membership could be defined to include only tenants and prospective tenants OR it could include non-tenants.

Voting

The principle is "one person, one vote", irrespective of the number of shares held. No variation whatsoever is permissible. Voting by proxy is not allowed. Decisions could be made by simple majority or through consensus where an attempt is made to reach unanimous agreement.

Shares

The share capital of a society is divided into shares of a fixed amount specified in the rules and the shares are all of the one class, ranking equally. A share cannot be allotted unless at least one-tenth of the nominal value thereof has been paid.

The rules may fix a minimum and a maximum share-holding per member but no member may hold more than 20% of the shares in a society. A share may be held by two or more persons jointly. A share may not be transferred without the consent of the Board of Directors.

Decision - making

A co-op could choose to vest policy decision-making with:

- (a) a Board of Directors of up to seven members

OR

- (b) it could make this the responsibility of the whole membership through general monthly meetings. In this case, the Board, then, only acts as an executive implementing policies and overseeing day to day administration and the work of the housing worker.

Under the provisions of the Co-operation Act the legal duties of a co-operative society are:-

- (1) A society is required to have at its registered office and to have open at all reasonable times to inspection by any members or creditor without fee -
- (a) a copy of the Act and the regulations;
 - (b) a copy of the rules of the society;
 - (c) a copy of the last balance-sheet and profit and loss account for the time being, together with the report of the auditor;
 - (d) the prescribed register of directors, members, and shares; and
 - (e) the prescribed register of loans raised.
- (2) A society is required to transmit to the Registrar within three months* after the close of its financial year (or within such further time as the Registrar may authorize) the following returns:-
- (a) a list of the directors for the year then current; (*four months)
 - (b) a statement of the assets and liabilities of the society at the close of the financial year and of the accounts of the society for the year;
 - (c) a copy of any report by the auditor on such accounts.

- (3) A society is required within fourteen days after any change in the membership of the Board to lodge with the Registrar information of the change.
- (4) A society is required within fourteen days after the change of its registered office to lodge with the Registrar notice of the change.
- (5) A society is required to keep such registers, records and accounts as may be prescribed by regulation and in particular -
 - (a) a register of the directors, members and shares;
 - (b) a register of any loans raised;
 - (c) a cash book, receipt, ledger and journal; and
 - (d) minute and attendance books.
- (6) A society is required -
 - (a) to register all alterations of rules and special resolutions in prescribed form. (These do not take effect until registered). Change in name involves a special procedure;
 - (b) to have available for sale copy of the society's rules;
 - (c) to make available for examination by a member her account in the society's books;
 - (d) to close the society's financial year on the date fixed in the rules;
 - (e) to hold the annual meeting of the society within four months after the close of its financial year or within such further time as may be allowed by the Registrar or prescribed by regulation; and
 - (f) to have the accounts of the society audited at the end of its financial year.

In addition to the above requirements the society must ensure the following:

- (a) appoint an auditor who is a registered companies auditor;
- (b) acquire a fidelity guarantee insurance policy for an amount of at least \$2,000. The policy will cover the officer handling the funds of the society, and must be approved by the Registrar; and
- (c) send all the required meeting notices to members.

Registered office

The registered office of the society is stated in the rules and, after registration of a society Form 20 Application to Register Office of Society, is forwarded to the society in duplicate for execution and return to the Registry. Any change of registered office must also be notified. Forms for this purpose may be obtained from the Registry.

Display of society's name

The name of the society with a statement that the society is registered under the Act is required to be painted or affixed on the outside of its office in a conspicuous place and in letters which are clearly legible.

The name of the society must be inscribed in legible characters on its seal and on all notices, advertisements and other official publications of the society and on all bills of exchange, cheques, promissory notes, endorsements, orders for money or goods, invoices, receipts and other documents required in the business of the society.

Investments

The Act places a restriction on where a society may invest its surplus cash:- authorized trustee investments, banks, building societies and other approved societies.

Offences and penalties

Any contravention of, or failure to comply with, the requirements of the Act renders a society and the directors and officers responsible liable to penalties under the Act.

Winding up

A society may be wound up in substantially the same circumstances and by the same procedure as a company under the Companies Code.

Registrar

The Registrar has wide functions under the Act designed to assist societies and to protect the interests of members and other persons. Apart from functions incidental to matters referred to above, they include inspection of societies and the holding of inquiries and investigations into societies' affairs, with power to order production of books and documents and to examine on oath. He also has power to call special meetings of members in certain circumstances.

Co-operative principles

The following principles are important in making co-operative housing work. These are based on those last re-drafted by the International Co-operative Alliance in 1966.

The comments made on the following principles are taken from the Co-operative Housing Kit put out by Shelter Victoria. The Kit is currently out of print.

1. Co-operatives must strive to be democratic

The two most commonly known forms of democratic organisation are the collective and the committee systems. The collective is a more direct form of

democratic organisation, as everyone is expected to participate and decisions are made by consensus. If a committee system is set up, committees must be democratically elected. Committee meetings should be open to any member who wishes to attend and members must always have access to the committee. Committees should strive to be aware of preferences of members and act according to these. Important decisions need to be ratified at general meetings.

Whichever way the group operates, certain minimum principles should be adhered to. Each member should have the right to speak and be listened to and each member should have equal voting rights at meetings.

2. Co-operatives are non-profit organisations

If a surplus is made, it should be used by the whole co-op for:-

- . development of the co-op or educational programmes for its members
- . common facilities for the members
- . promoting and supporting other co-ops

(With RHCs, part of the surplus would need to be returned to the Ministry as a lease repayment once a co-op is self-sufficient).

3. Co-operatives should be voluntary and non-discriminatory

Membership of a co-op should be voluntary and available without artificial restriction or any social, political, racial or religious discrimination to all persons who are willing to accept the responsibilities of membership.

Across the spectrum of different types of co-ops, access to co-operative housing should be open to all. Some co-ops could, however, develop to meet the needs of special interest groups. People who do not want to live in co-operatively managed housing schemes should not be pressured into them but should have other alternatives.

4. Co-operatives should strive to provide a community for their members

Co-ops should be small enough to enable people to get to know each other, and to provide responsive rather than remote management. The organisation must be controlled by the members and should not be dominated by outside professionals or other interests. The homes in any co-op should be situated close enough together so as to allow members to participate. The co-op should ensure that any communal facilities needed by the members are provided. The co-op should operate on the principle of mutual support.

5. The co-operative should be committed to its own development

The co-op should work at sharing and increasing the knowledge and skills of its members. Co-ops should make provision for the education of their members, and employees and of the general public, in the principles and techniques of co-operation, both economic and democratic.

6. Co-operatives should help each other

All co-operative organisations, in order to best serve the interests of their members and their communities, should actively co-operate with other co-operatives at local, national and international levels.

Housing co-ops should work to improve housing conditions starting with the premise that adequate housing is a right and necessity for all.

Ministry District and Regional offices

The Ministry's role at the community level is channelled through nine District Offices in the metropolitan area and seven Regional Offices in the provincial area. Three of the District Offices operate in the inner metropolitan area and are responsible, largely, for the management of the high-rise apartments. The location and contact details of the District and Regional Offices are listed at the end of this section.

Housing services provided by the Ministry are continuously being decentralised to the local offices and appropriate delegations of responsibility to the District and Regional are presently under review. Aside from the tenancy management role of the offices, a total package of housing services operates and is being further developed.

To serve as an example, research is presently underway to fully decentralise tenancy operations and rental rebate services to the local office. Greater emphasis is also being given to District/Regional based maintenance operations.

Aside from rental and home finance services available at District and Regional offices, the Manager and his staff are available to assist in a broad range of housing services both attuned to the public and private accommodation spheres. The Manager is expected to have a knowledge of the local area and the housing issues generated in his community.

The development and operation of Rental Housing Co-operatives is one such aspect of this involvement. From a District and Regional Manager's perspective it is vitally important that local Ministry staff work closely in co-operation with rental co-ops. Such an association benefits both organisations and provides balanced presentation of housing services to the public.

The following areas are seen as services that the District and Regional Offices can offer to submitting groups for RHCs: -

- . establishment planning - rental needs of the area.
 - . creating RHC applicants' list - referral of prospective members/households.
 - . referral of skills people.
 - . access to Ministry waiting lists.
 - . information dissemination - e.g. eligibility levels;
- Residential Tenancies legislation;
maintenance/modernization services;
- . promotion of co-op with region.

Metropolitan District Managers

	<u>Office Location</u>	<u>Position</u>	<u>Telephone No.</u>
Central West	12 Holland Court, Flemington	Trevor McDevitt	376 8734 376 0350
Central North	480 Lygon Street, Carlton	Ron Castle	347 4044 347 4435
Central South	211 Dorcas Street, Sth. Melbourne	Fergus Berenger	699 1044 699 4361
Maidstone	152 Churchill Avenue, Braybrook	Matt Simons	311 0754 311 0756
Broadmeadows	27 Blair street, Broadmeadows	Michael Jackman	309 1255 309 1055
Preston	Northland Centre Murray Road, Preston	Leo Erwin	478 6707 478 0950
Heidelberg	155 Oriel Road, Heidelberg	Nick Colarossi	45 4412 45 2068
Jordanville	607 Warrigal Road, Jordanville	Bob Myatt	568 7655 568 5943
Frankston	101 Young Street, Frankston	Larry Hussey	781 4955

Regional Managers

	<u>Office Location</u>	<u>Position</u>	<u>Telephone No.</u>
Ballarat	Cnr. Mair and, Doveton Streets	Mick Murrihy	(053) 37 0666
Benalla	72 Bridge Street,	Russ Williams	(057) 62 3455
Bendigo	48 queen Street,	Peter Walsh	(054) 42 1022
Dandenong	87B Foster Street,	John Quick	(03) 792 3069
Geelong	143 Princes Highway, Norlane	Des Harris	(052) 75 1181
Morwell	25 Rintoull Street,	John Viccars	(051) 34 4444
Warrnambool	171 Lava Street,	Brian Earnshaw	(055) 62 5612